

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 01-
	)	
ESTATE OF BERNICE PAUAHI BISHOP	)	
dba KAMEHAMEHA SCHOOLS	)	
	)	
	)	
Respondents	)	
_____	)	

**CONCILIATION AGREEMENT**

On or around April 2001, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondent the Estate of Bernice Pauahi Bishop dba Kamehameha Schools ("KS"), pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, KS and the Commission, having entered into conciliation and pursuant to section 11-216 (g) HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondent and the subject matter of this administrative action.
- II. That upon complete performance of the conditions stated in this Conciliation Agreement ("Agreement"), the Commission shall waive further proceedings in this matter pursuant to section 11-216 (g) HRS.
- III. That Respondent waives the right to be heard at a public hearing conducted under Chapter 91 HRS, pursuant to section 11-228 (b) HRS.

- IV. That Respondent and the Commission enter into this Agreement on their own volition and with full knowledge and understanding.
- V. That Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, obtained records (the "Records") of a prior investigation conducted by the Department of the Attorney General, State of Hawaii, covering the period 1992 through 1997.
- VI. That the Commission's staff reviewed the Records and allege KS violated HRS sections 11-194, 11-202, 11-204, 11-212, and 11-213 of Hawaii's Campaign Spending Laws for the period 1992 through 1997, by allegedly failing to file disclosure reports for alleged: campaign expenditures, polling activities and collection of fund-raising tickets.
- VII. That KS had and continues to have a policy prohibiting staff or trustee involvement in campaign spending activities on behalf of KS and that any alleged campaign spending activities involving KS violate the policies of KS.
- VIII. That the trustees and the manager of KS' Government Relations department allegedly involved in campaign spending activities that are alleged to have violated Hawaii Campaign Spending laws are no longer employed at or retained by KS.
- IX. Solely in the interest of avoiding costly and time consuming litigation, the parties desire to resolve this matter as amicably and expeditiously as possible.

- X. As full, complete and final settlement of all matters and issues relating to all alleged violations of Hawaii Campaign Spending laws by KS, KS and the Commission understand and agree to the following:
- (A) That KS does not admit that any alleged violations have occurred;
  - (B) That KS did not authorize such acts and had no knowledge of any alleged violations;
  - (C) That the Commission will not seek further administrative action against KS for violations of Hawaii Campaign Spending laws for election periods prior to May 1999.
  - (D) For the purpose of settlement, KS agrees to a fine assessment of **TEN THOUSAND DOLLARS (\$10,000)** pursuant to sections 11-216(g) and 11-228 HRS;
  - (E) KS is aware of and understands reporting and disclosure requirements under Hawaii Campaign Spending laws; and
  - (F) KS shall remit payment of the fine, in full, to the Hawaii Election Campaign fund within thirty days of approval of this Agreement by the Commission.
- XI. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

XII. This Agreement constitutes the entire agreement between the Commission and KS on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

**FOR THE COMMISSION:**

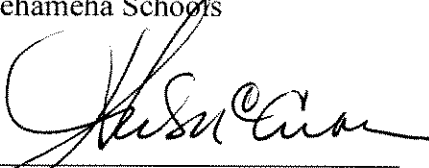
Robert Y. Watada  
Executive Director



1/16/03  
Date

**FOR THE RESPONDENT:**

Estate of Bernice Pauahi Bishop,  
dba Kamehameha Schools

By:   
Name: Hamilton I. McCubbin, Ph.D.  
Title: Chief Executive Officer

11/25/02  
Date